



# Enel Américas

## 9M 2018 results



# 9M 2018 results

Highlights of the period



**EBITDA of 2,374 mUSD, an increase of 11% vs 9M 2017  
despite the hyperinflation effect in Argentina and negative fx scenario in Argentina and Brazil**

**Energy sales in generation business increased by 18% due to consolidation of Volta Grande and  
higher demand in Colombia and Peru**

**Distributed energy increased by 28% mainly due to the consolidation of Eletropaulo since June  
2018 and Enel Dx Goiás since February 2017**

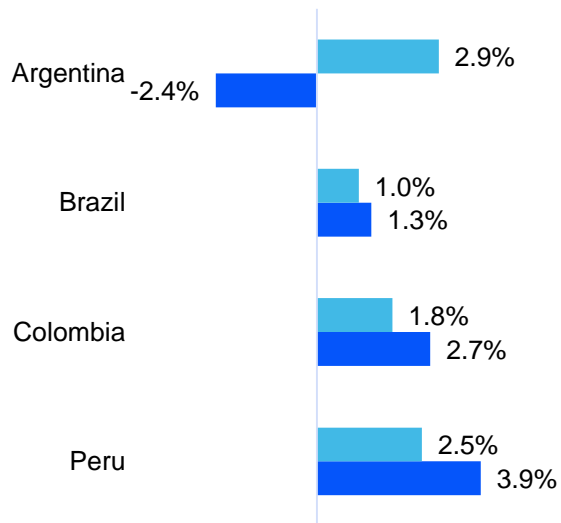
**Eletropaulo: After the capital increase, Enel Américas owns a stake of 95.88%.  
EBITDA of the company reached 125 mUSD as of September 2018**

**Total Net Income of 859 mUSD, an increase of 31% vs 2017  
Net Income Attributable to shareholders of 513 mUSD, an increase of 34% vs 2017**

# 9M 2018 results

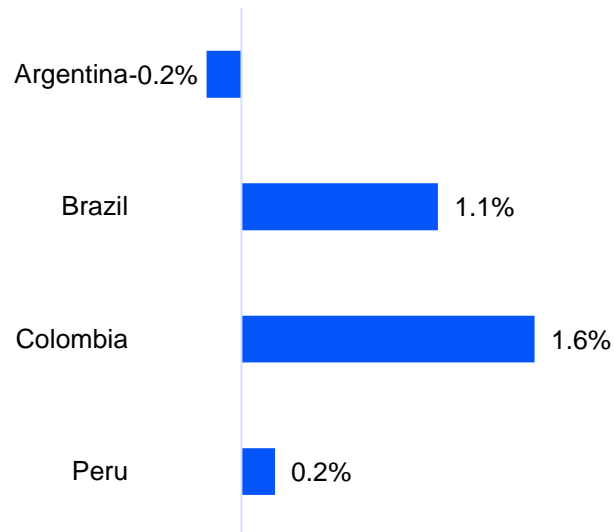
## Market context evolution

Annual GDP growth<sup>1</sup> (%)

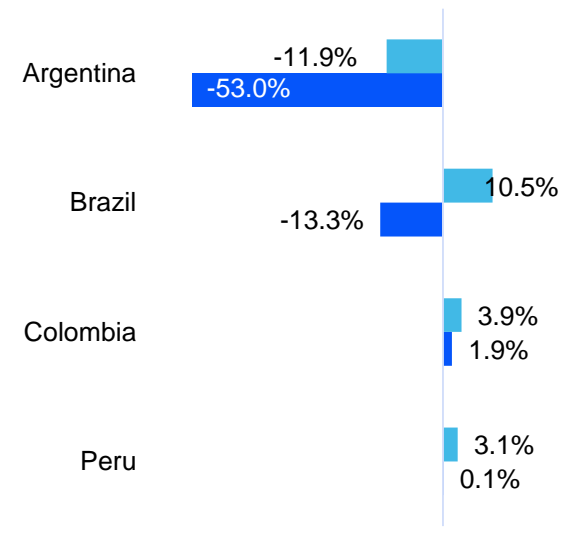


■ 2017 ■ 2018

Enel Américas Energy demand<sup>2</sup> (%)



Local Currencies vs USD (YoY%)<sup>3</sup>



■ 9M17 ■ 9M18

1. GDP (E) for 2018. Source: Latin America Consensus Forecast as of October 2018; 2. Cumulative Demand. Brazil: Enel Dx Rio, Enel Dx Ceará (not include Enel Dx Goiás and Eletropaulo), Colombia: Codensa, Peru: Enel Dx Perú, Argentina: Edesur. 3.3 YoY. Source: Internal.

# 9M 2018 results

## Regulation update

Argentina



- On August 1<sup>st</sup>, it was applied **the inflation adjustment of the Dx tariff**. This adjustment was for 50% of the inflation of the period, and the remaining 50% will be applied on February 2019.
- Contacts ongoing with the Energy Secretariat to finalize before the end of the year the **agreement on the settlement of Regulatory Assets**

Brazil



- On March, the Regulator kept the WACC at the current level **8.09% after tax**
- ANEEL approved the 4th tariff review of **Enel Rio** (March) and **Enel Goiás** (October)
- Thermal Plant **CGTF** without generating since June, 30 due to suspension of gas supply contract with Petrobras. In the last days this contract has been restored.

Colombia



- Res. CREG 085/2018 – Final resolution of the **Distribution remuneration methodology**.
- Regulator released resolutions CREG 083/2018; 084/2018 and 104/2018 to establish the schedule of the energy auction that ensure the **energy supply and demand coverage** in the next coming years

Peru



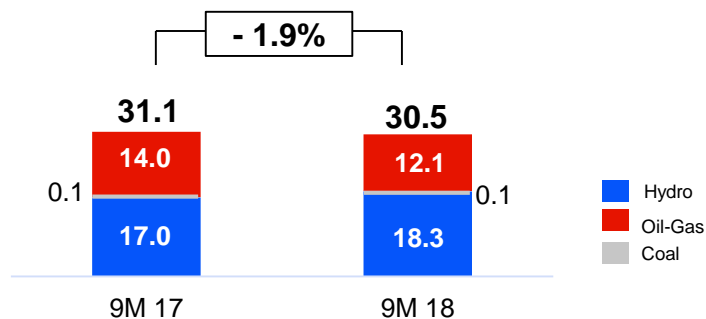
- On August 13<sup>th</sup>, Osinergmin published the draft of **“Proyecto de Resolución del VAD”** and then on October 16<sup>th</sup>, Osinergmin published the final document. The new distribution tariff will be effective as of November 1<sup>st</sup>, 2018

# 9M 2018 results

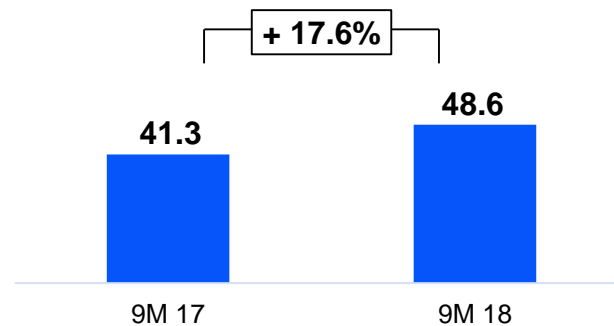
## Operating highlights

Generation

### Net production (TWh)

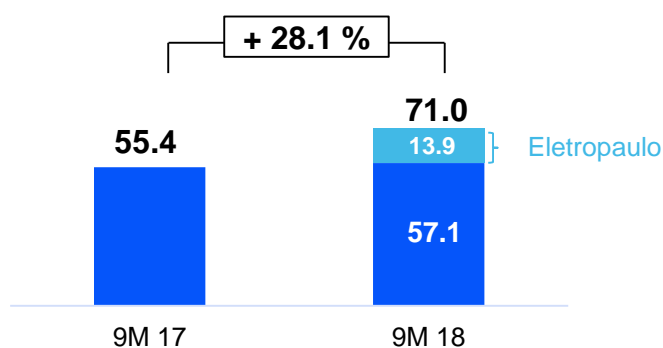


### Energy sales (TWh)

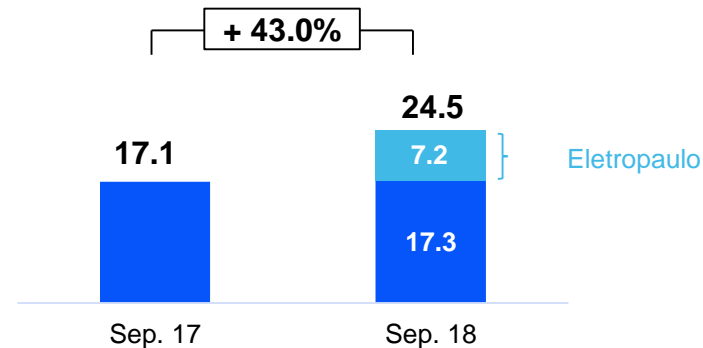


Distribution

### Distributed Energy (TWh)



### Number of customers (m)



# 9M 2018 results

## Financial highlights (US\$ m)

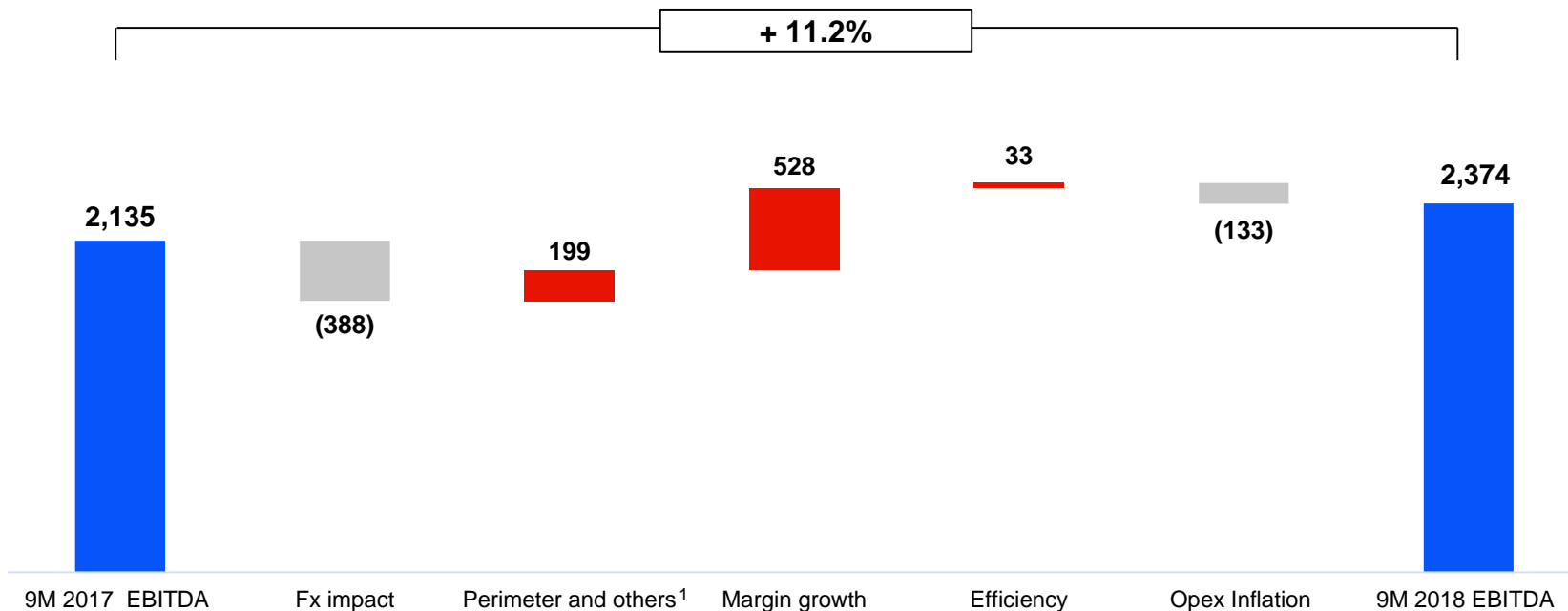
	9M 18 Pro-forma	IAS 29	IAS 21	9M 18 Reported	9M 17	Δ yoy
Revenues	9,779	68	-505	9,343	7,564	23.5%
Contribution Margin	3,738	35	-248	3,526	3,342	5.5%
EBITDA	2,489	17	-131	2,374	2,135	11.2%
EBIT	1,849	-40	-100	1,709	1,537	11.2%
Net Financial Income	-377	118	-29	-288	-493	-41.6%
Others	3	0	-1	2	5	-62.3%
EBT	1,475	78	-130	1,423	1,049	35.7%
Taxes	-546	-64	46	-565	-392	44.1%
Total Net Income	929	14	-84	859	657	30.7%
Attributable to Shareholders	531	20	-37	513	384	33.5%
Gross Capex	1,069	-	-	1,069	1,063	0.5%
Net Debt (Sep.18 vs Dec.17)	6,877	-	-	6,877	3,349	105.3%

1. IAS 29 Financial Reporting in Hyperinflationary Economies.

2. IAS 21 The Effects of Changes in Foreign Exchange Rates.

# 9M 2018 results

EBITDA evolution (US\$ m)

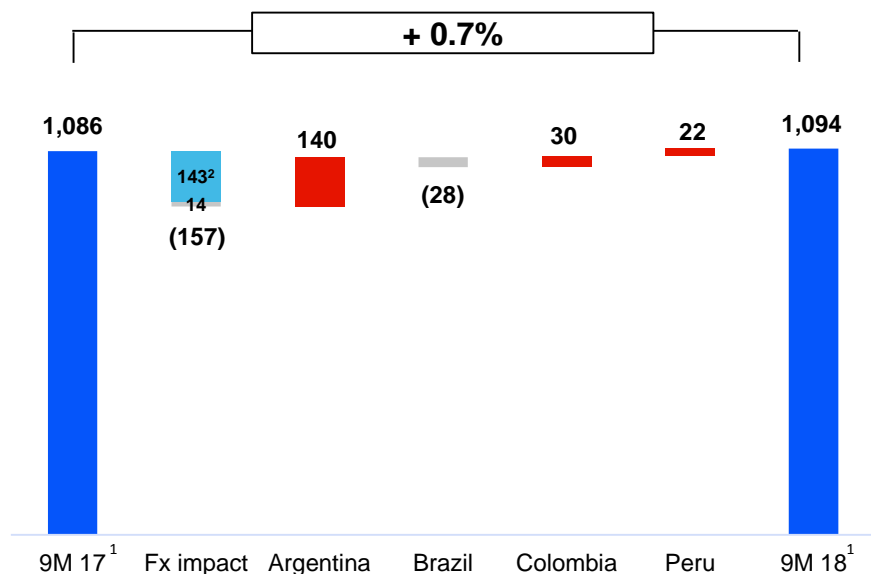


1. Enel Dx Goiás: USD 12 m, Eletropaulo: USD 147 m, Volta Grande: USD 62 m and others: - USD 22 m.

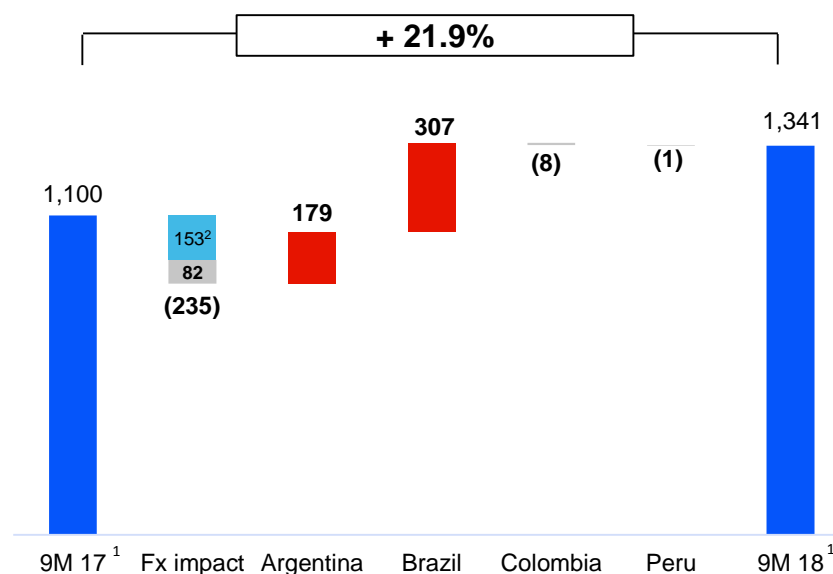
# 9M 2018 results

Group EBITDA evolution by business and country (US\$ m)

## Generation



## Distribution



1. Not including Services & Holding (USD -61 m in 2018 and USD -52 m in 2017).

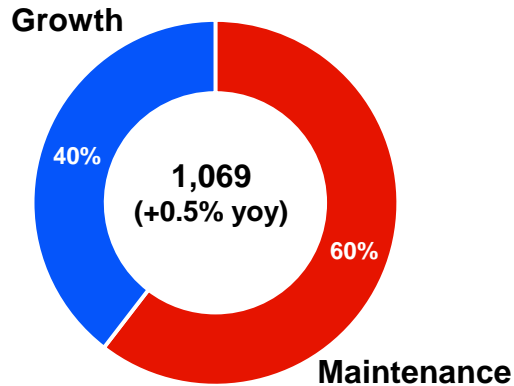
2. Argentinean Fx impact.



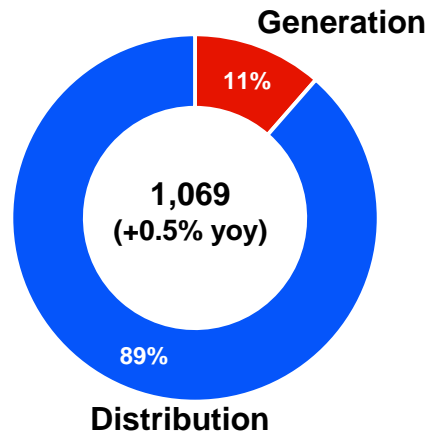
# 9M 2018 results

Gross Capex (US\$ m) <sup>1</sup>

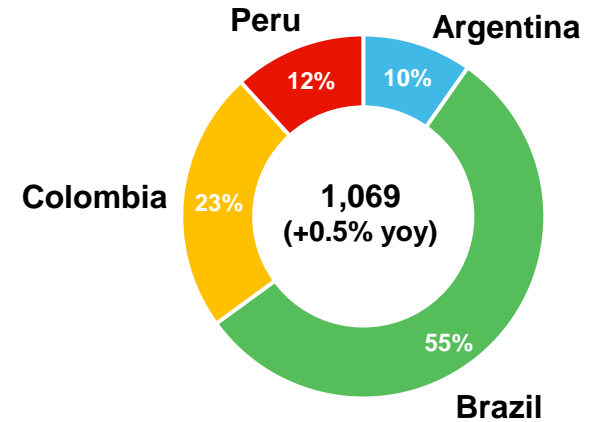
By activity



By business



By country



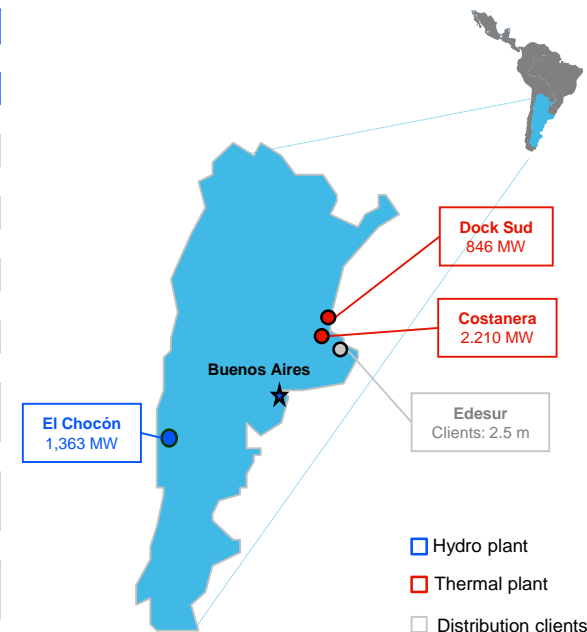
1. Accrued capex during 9M18, gross of contributions and connections fees.

# 9M 2018 results

Focus on Argentina (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	9M 18	9M 17	%	9M 18	9M 17	%	9M 18	9M 17	%
Revenues	166	209	-20%	744	891	-17%	909	1,099	-17%
EBITDA	112	114	-2%	124	99	25%	235	212	11%
Net Income	68	70	-2%	77	-93	137%	154	-23	137%
Capex	29	18	61%	75	129	-42%	104	147	-29%
Net Production (GWh)	10,654	11,486	-7%	-	-	-	10,654	11,486	-7%
Energy Sales (GWh)	10,656	11,505	-7%	13,615	13,642	0%	-	-	-
Av. Spot Price (\$US/MWh)	N.A.	N.A.	-	-	-	-	N.A.	N.A.	-
Clients (Th)	-	-	-	2,548	2,524	1%	2,548	2,524	1%



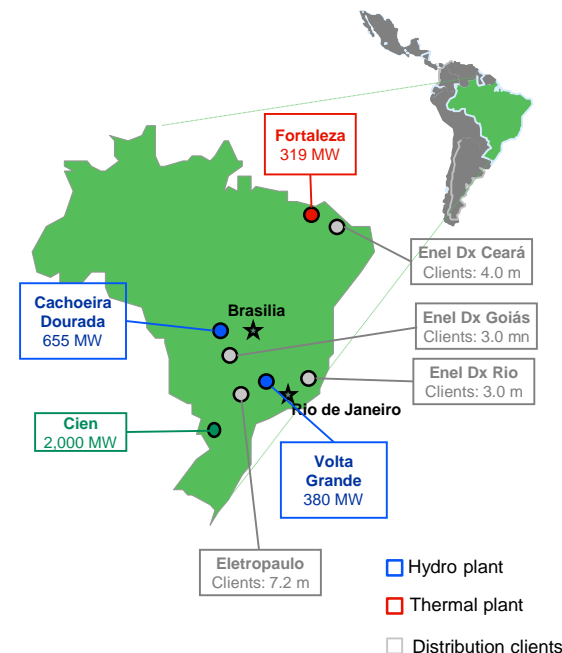
1. "Total" included Holding and Services adjustments.

# 9M 2018 results

Focus on Brazil (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	9M 18	9M 17	%	9M 18	9M 17	%	9M 18	9M 17	%
Revenues	673	603	12%	4,846	3,315	46%	5,302	3,684	44%
EBITDA	186	240	-22%	663	446	49%	808	656	23%
Net Income	120	142	-15%	129	31	315%	110	155	-29%
Capex	7	12	-46%	581	600	-3%	590	613	-4%
Net Production (GWh)	2,796	3,062	-9%	-	-	-	2,796	3,062	-9%
Energy Sales (GWh)	15,927	8,774	82%	40,962	25,554	60%	-	-	-
Av. Spot Price (\$US/MWh)	89	94	-6%	-	-	-	89	94	-6%
Clients (Th)	-	-	-	17,107	9,888	73%	17,107	9,888	73%



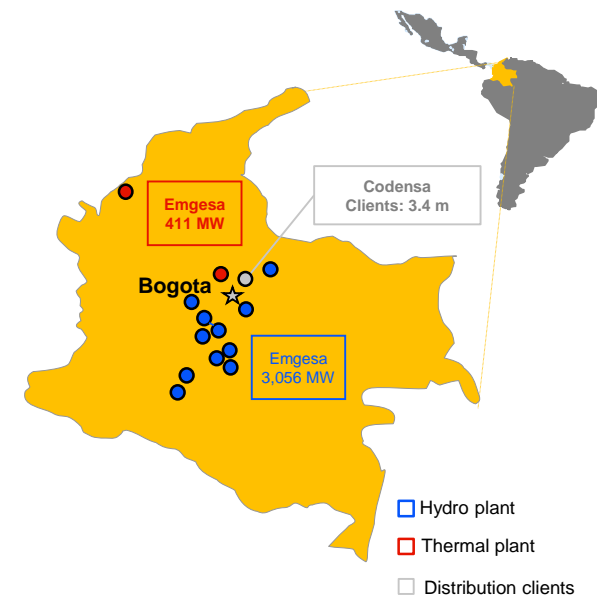
1. "Total" including Holding and Services adjustments.  
 2. Southeast /Central-west region.  
 3. Eletropaulo's clients as of September 30, 2018: 7,190 th

# 9M 2018 results

Focus on Colombia (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	9M 18	9M 17	%	9M 18	9M 17	%	9M 18	9M 17	%
Revenues	953	862	11%	1,284	1,140	13%	2,016	1,767	14%
EBITDA	562	521	8%	388	389	0%	951	911	4%
Net Income	274	232	18%	156	158	-1%	430	390	10%
Capex	51	39	31%	197	157	26%	249	196	27%
Net Production (GWh)	10,956	11,364	-4%	-	-	-	10,956	11,364	-4%
Energy Sales (GWh)	14,061	13,635	3%	10,443	10,276	2%	-	-	-
Av. Spot Price (\$US/MWh)	37	35	7%	-	-	-	37	35	7%
Clients (Th)	-	-	-	3,415	3,315	3%	3,415	3,315	3%



1. "Total" including Holding and Services adjustments.

# 9M 2018 results

Focus on Peru (US\$ m)



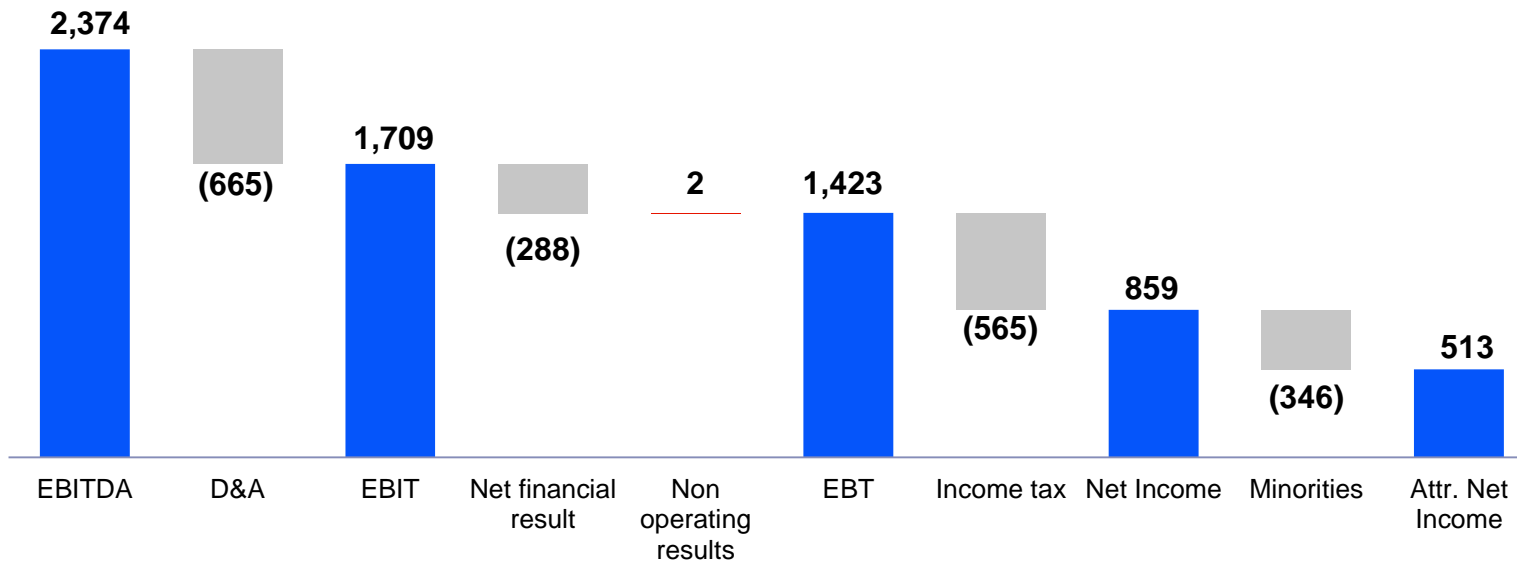
	Generation			Distribution			Total <sup>1</sup>		
	9M 18	9M 17	%	9M 18	9M 17	%	9M 18	9M 17	%
Revenues	582	516	13%	680	658	3%	1,114	1,014	10%
EBITDA	234	211	11%	165	166	-1%	399	376	6%
Net Income	130	96	35%	74	74	-1%	201	171	18%
Capex	34	32	9%	91	75	21%	126	107	18%
Net Production (GWh)	6,097	5,174	18%	-	-	-	6,097	5,174	18%
Energy Sales (GWh)	7,910	7,368	7%	5,984	5,973	0%	-	-	-
Av. Spot Price (\$US/MWh)	12	10	19%	-	-	-	12	10	19%
Clients (Th)	-	-	-	1,417	1,392	2%	1,417	1,392	2%



1. "Total" including Holding and Services adjustments.

# 9M 2018 results

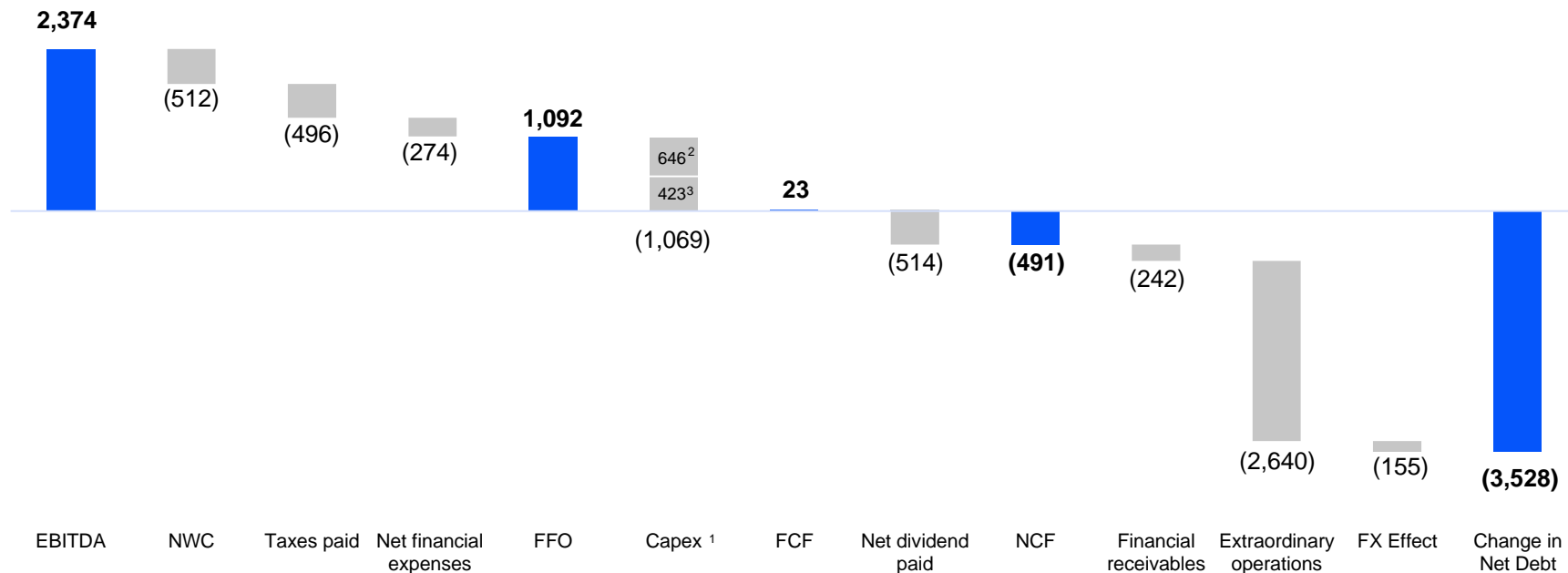
From EBITDA to Net income (US\$ m)



<b>9M 17</b>	2,135	- 598	1,537	- 493	5	1,049	- 392	657	- 273	384
<b>Δ yoy</b>	11.2%	11.3%	12.2%	41.6%	-62.3%	35.7%	44.1%	30.7%	26.6%	33.5%

# 9M 2018 results

Free cash flow (US\$ m)

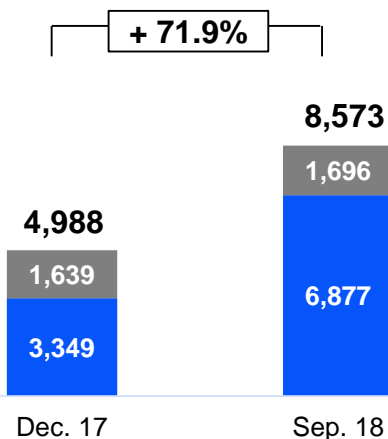


1. Capex accrued gross of contributions and connections fees. Differences between Capex accrued and Capex paid are included in the NWC.  
 2. Maintenance Capex.  
 3. Growth Capex.

# 9M 2018 results

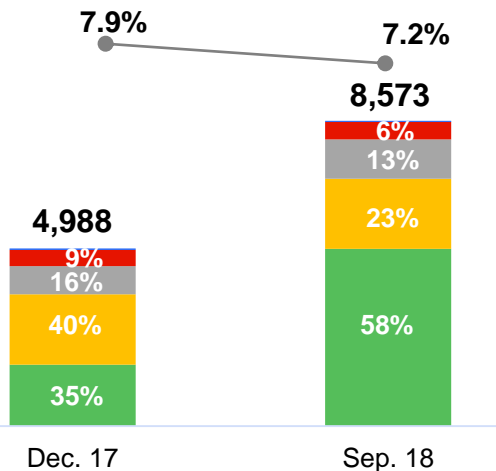
Gross debt breakdown<sup>1</sup> (US\$ m)

## Gross and Net Debt



■ Net Debt<sup>1</sup> ■ Cash<sup>2</sup>

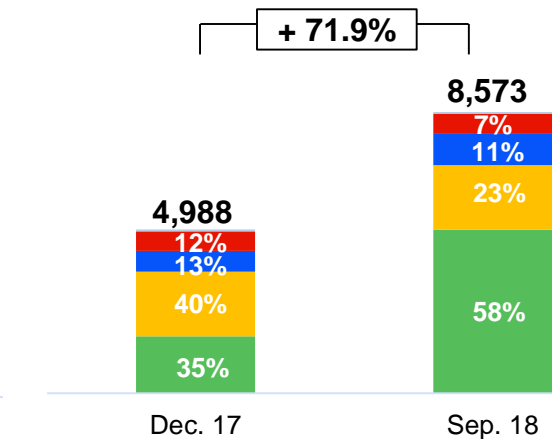
## Gross debt breakdown by currency



■ BRL ■ COP ■ USD ■ PEN ■ Others<sup>3</sup>

● Cost of gross debt

## Gross debt breakdown by country



■ Brazil ■ Colombia ■ Holding ■ Peru ■ Argentina

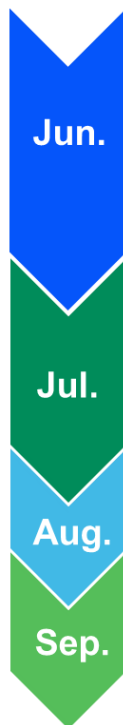
1. Gross and net debt exclude accrued interests and adjustments after derivatives.  
 2. Cash and cash equiv. + 90-day cash investments.  
 3. Others: UF. Dec. 17: 0.64%; Sep. 18: 0.32%.



# 9M 2018 results

## Focus Eletropaulo

### Last milestones



- Enel Américas began to consolidate 100% of Eletropaulo since June 1<sup>st</sup>.
- On June 4<sup>th</sup>, Enel Américas received confirmation of the success of the Tender Offer.
- Start of due diligence process on Eletropaulo.
- On June 26<sup>th</sup>, R\$ 900 m of the capital increase committed (R\$1,500 m) were deposited in Eletropaulo's cash corporate account.
- All rating agencies kept outlook and rating of Enel Américas after Eletropaulo's acquisition.
- On July 4<sup>th</sup>, end of additional selling period. Enel Américas owned a stake of 93.3% of Eletropaulo.
- On July 12<sup>th</sup>, Eletropaulo released a notice to the market regarding organizational change of the company.
- On July 26<sup>th</sup>, the BoD has approved the remaining quote for the future capital increase committed for R\$ 600 m, totalizing R\$1,500 m
- Conclusion of first business plan focus on efficiencies and quality improvement.
- Capital increase on Eletropaulo on September 19<sup>th</sup>. Enel Américas owns a stake of 95.88% of the company.
- Additional Capex approved in order to increase RAB.

### Financial highlights<sup>1</sup> (US\$ m)

Revenues	1,521
EBITDA	125
Total Net Income	-7
Gross Capex	132
Net Debt	814

### Operating highlights<sup>1</sup>

Energy distributed (MWh)	13,913
Number of customers	7,190,263
SAIDI (hours)	7.8
SAIFI (times)	4.6

## **9M 2018 results**

Closing remarks: highlights

**Better results than previous year despite the adverse macro scenario in Argentina and Brazil and hyperinflation effect**

**Energy sales in generation and distribution business significantly higher than the same period of last year**

**Eletropaulo's performance better than expected**

**Despite the devaluation of local currencies vs USD in Argentina and Brazil, we expect to be close to our guidance 2018**

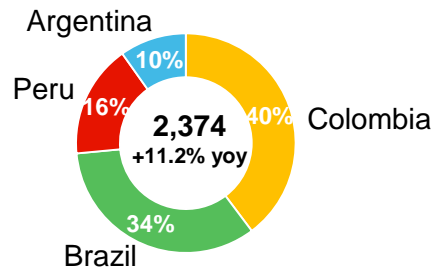


# Exhibits

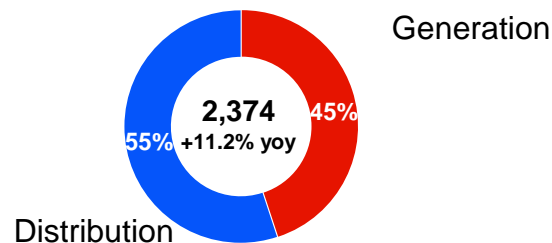
# 9M 2018 results

EBITDA and NI breakdown (US\$ m)

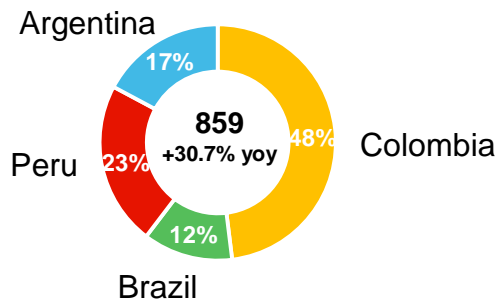
## EBITDA by country



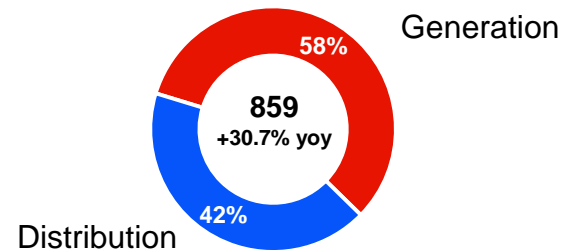
## EBITDA by business



## Net Income by country



## Net Income by business

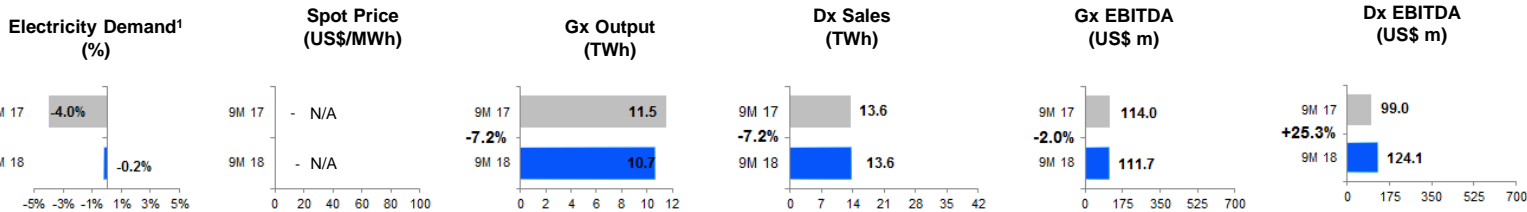


# Operating Exhibits 9M 2018

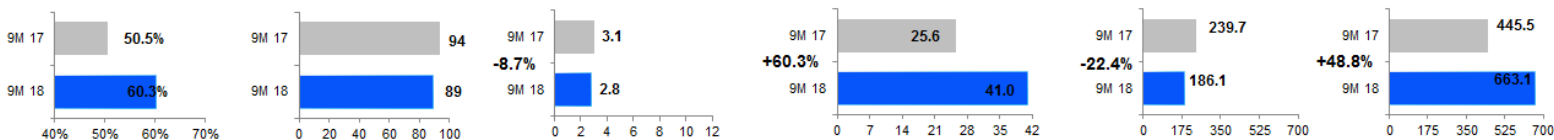
Business context in 9M 2018 v/s 9M 2017



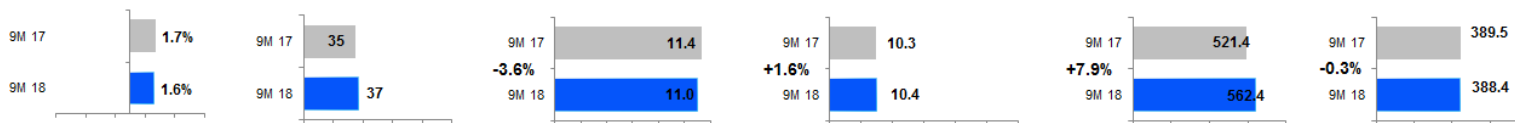
**Argentina**



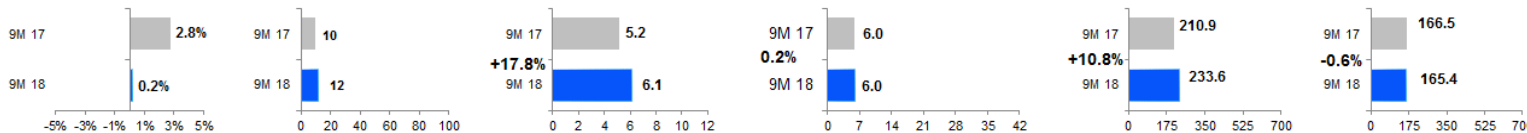
**Brazil**



**Colombia**



**Peru**



1. Enel Américas' Cumulative Demand. Brazil: Enel Dx Rio, Enel Dx Ceará, Enel Dx Goiás and Eletropaulo, Colombia: Codensa, Peru: Enel Dx Perú, Argentina: Edesur.

# Operating Exhibits 9M 2018

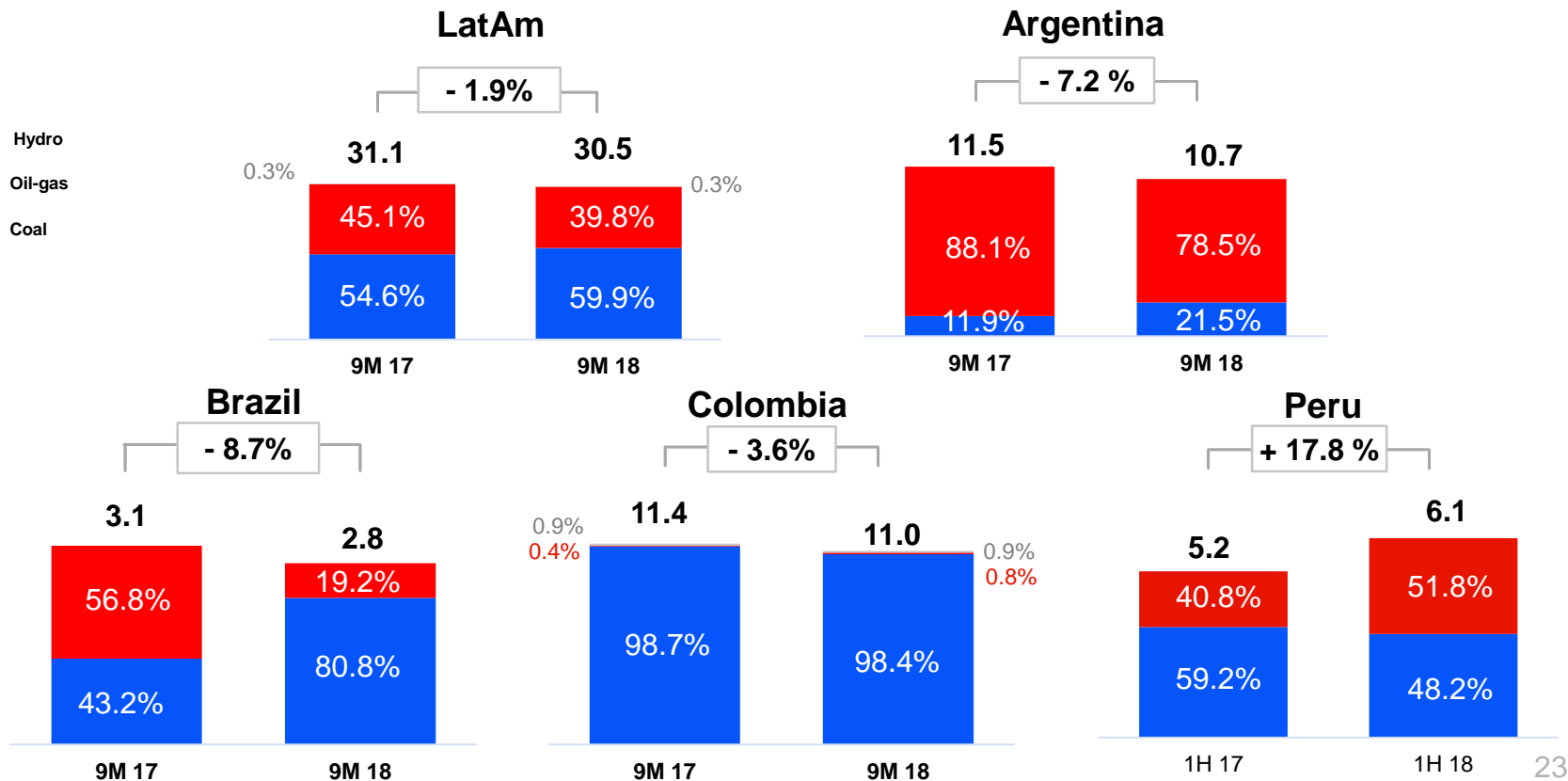
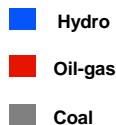
Net installed capacity and Total net production: Breakdown by source and geography

Net installed capacity (MW)				
MW	Hydro	Oil-Gas	Coal	Total
Argentina	1,328	3,091	0	<b>4,419</b>
Brazil	1,035	319	0	<b>1,354</b>
Colombia	3,093	183	224	<b>3,500</b>
Peru	792	1,193	0	<b>1,985</b>
<b>Total</b>	<b>6,249</b>	<b>4,786</b>	<b>224</b>	<b>11,258</b>

Total net production (GWh)				
GWh	Hydro	Oil-Gas	Coal	Total
Argentina	2,289	8,365	0	<b>10,654</b>
Brazil	2,259	537	0	<b>2,796</b>
Colombia	10,776	84	96	<b>10,956</b>
Peru	2,937	3,159	0	<b>6,097</b>
<b>Total</b>	<b>18,262</b>	<b>12,145</b>	<b>96</b>	<b>30,502</b>

# Operating Exhibits 9M 2018

Production mix (TWh)



# Operating Exhibits 9M 2018

## Distribution companies

Distributor	Clients	Energy sold (GWh)	Energy losses (%)	City, Country	Concession area (km <sup>2</sup> )	Next tariff revision
Edesur	2,547,580	13,615	13.2%	Buenos Aires, Argentina	3,309	2022
Enel Dx Rio	2,967,013	8,192	20.8%	Niteroi, Brazil	32,615	2023
Enel Dx Ceará	3,947,876	8,688	14.1%	Fortaleza, Brazil	148,825	2019
Enel Dx Goiás	3,001,937	10,168	12.1%	Goiás, Brazil	377,000	2018
Eletropaulo	7,190,263	13,913 <sup>1</sup>	9.5%	Sao Paulo, Brazil	4,500	2019
Codensa	3,414,791	10,443	7.9%	Bogota, Colombia	14,456	2018 <sup>2</sup>
Enel Dx Perú	1,416,964	5,984	8.1%	Lima, Peru	1,517	2018
<b>Total</b>	<b>24,486,424</b>	<b>71,004</b>	-	-	-	-

1. Eletropaulo's consolidation since June 1<sup>st</sup>, 2018

2. 2014 process is still pending. It is expected to start the process by 4Q 2018.



# Financial Exhibits 9M 2018

## Liquidity and credit profile



Liquidity (US\$ m)	Total	Used	Available
Committed credit lines	1,302	350	952
Cash and cash equivalents <sup>1</sup>	1,696	0	1,696
<b>Total liquidity</b>	<b>2,998</b>	<b>0</b>	<b>2,648</b>

Credit Profile as of Oct. 2018	S&P	Fitch	Moody's
LT international debt	BBB	BBB+	Baa3
LT local debt	-	AA (cl)	-
Outlook (Int'l)	Stable	Stable	Negative
Shares	-	1st Class Level 1	-

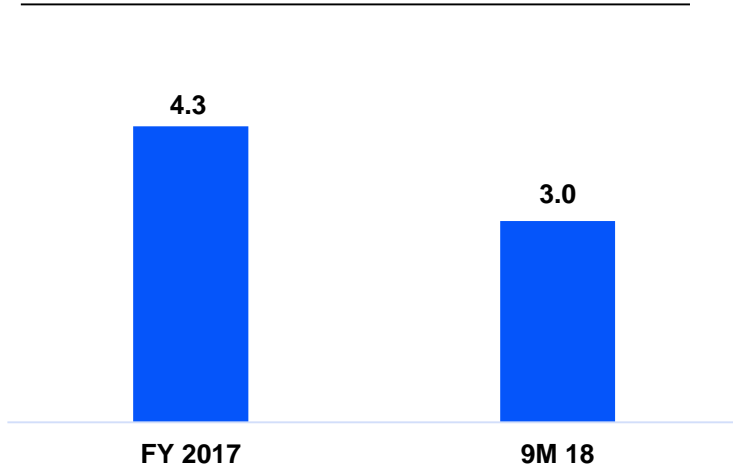
1. Include cash and cash equivalence for more than 90 days

# Financial Exhibits 9M 2018

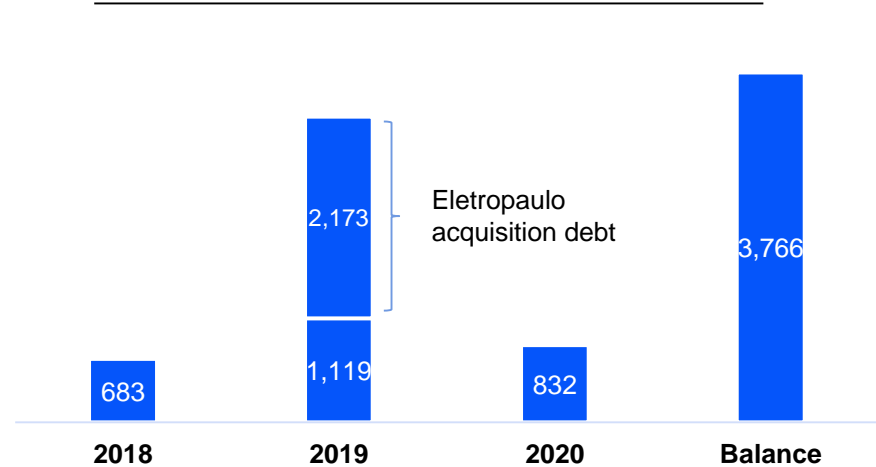
Debt maturity



Average residual maturity (years)



Debt profile (US\$ m)



# 9M 2018 Results

## Disclaimer



*This presentation contains statements that could constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places in this presentation and include statements regarding the intent, belief or current expectations of Enel Américas and its management with respect to, among other things: (1) Enel Américas' business plans; (2) Enel Américas' cost-reduction plans; (3) trends affecting Enel Américas' financial condition or results of operations, including market trends in the electricity sector in Chile or elsewhere; (4) supervision and regulation of the electricity sector in Chile or elsewhere; and (5) the future effect of any changes in the laws and regulations applicable to Enel Américas or its subsidiaries. Such forward-looking statements reflect only our current expectations, are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. These factors include a decline in the equity capital markets of the United States or Chile, an increase in the market rates of interest in the United States or elsewhere, adverse decisions by government regulators in Chile or elsewhere and other factors described in Enel Américas' Annual Report or Form 20-F. Readers are cautioned not to place undue reliance on those forward-looking statements, which state only as of their dates. Enel Américas undertakes no obligation to release publicly the result of any revisions to these forward-looking statements, except as required by law.*

# 9M 2018 Results

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# Thank you.

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